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John Gunther, Executive Director
U.S. Conf. of Mayors

AN APPLICATION FOR
A PLANNING GRANT UNDER
FEDERAL DEMONSTRATION CITIES PROGRAM

30 SEPTEMBER 1966

St. Louis: Gateway to Tomorrow

What will your St. Louis look like in ten years? What kind of a place will it be to live in?

St. Louis may continue to deteriorate economically. St. Louis may continue to be the origin of waves of blight engulfing larger portions of the city and overflowing into the county. St. Louis may become nationally noted for its race riots....

Or, St. Louis may become a "Demonstration City," a key city in the President's plan to rebuild our cities, every bit as important as the Marshall Plan which rebuilt European cities after World War II.

If St. Louis can qualify, instead of the continuing spread of blight and poverty, our city could become known nationally for such innovations as:

A single authority to insure that the taxpayer is getting his money's worth.

Blighted areas rebuilt into subcities each of which has a name emphasizing its local history and style.

Neighborhood workshops in which the people train themselves to become their own teachers, social workers, and resource persons in solving knotty problems.

A "Pilot Area" in which new ideas are tried in the best test tube fashion.

A "Manpower Authority" which would attempt to match job openings with the skills of local applicants by computer.

Incentive programs for industry to hire present unemployable manpower.

Diagnostic Centers to which the underprivileged can come for a one-shot evaluation of their abilities and needs to become productive individuals.

Neighborhood-based "Supermarkets of Services" where the underprivileged no longer get the run-around from agency to agency.

Special neighborhood skill centers where people can be trained to fully utilize their capabilities.

A downtown entertainment complex patterned after the Tivoli in Copenhagen.

Rehabilitation and Demolition companies managed by the neighborhood people themselves employing formerly unskilled and unemployed persons.

Assisting small neighborhood businesses to get started and grow.

A system of guaranteeing educational and job opportunities to assure upward mobility for all who work for it.

Promotion of St. Louis as a Tourist and Convention attraction.

A priced-out program to eliminate slums, blight and poverty in St. Louis in 10-20 years.

The above are a few of the suggestions advanced by a Steering Committee appointed by Alfonso J. Cervantes, Mayor of St. Louis.

The committee has proposed that its suggestions be evaluated under a planning grant from the Department of Housing and Urban Development.

The proposal as conceived is perhaps unique among all those being submitted by many cities across the country in that it is planned to utilize "systems analysis" techniques to evaluate these suggestions. The concept of a city as a system composed of many subsystems is a new one.

The value of applying this concept has never been demonstrated. It is hoped that during the planning phase these and other sides can be evaluated in terms of the contribution they make to increasing the standard of living for the area's residents. From this evaluation, a plan will be made for a rational development of St. Louis' physical and human resources. Hopefully, submittal of this plan will be followed by a grant from HUD for a rebirth of St. Louis.

How Did the Demonstration Cities Program Begin? - The Federal Demonstration Cities Program was first projected in a special message by the President of the United States on January 27, 1966.

A bill was introduced in the Congress of the United States on August 9, 1966, and is listed as Senate Bill 3708. The purpose of the bill is to assist comprehensive city demonstration programs for rebuilding slum and blighted areas, and for providing public facilities and services necessary to improve the general welfare of the people who live in those areas, and to assist and encourage planned metropolitan development, and for other purposes similar in nature.

In his message the President said, "I recommend to you a program to rebuild completely, on a scale never before attempted, entire central and slum areas of several of our cities in America."

Scope of Program - To carry out this program it is proposed that at least 60, or up to 70 or 80, communities will participate. These will involve large and small cities in all parts of the country.

In general, the principle of the program is to demonstrate what can be done with Federal assistance so that what is learned will be useful to all cities in the United States, most of which share a common problem.

According to the Demonstration Cities Program Act, the Federal Government is prepared to bear, in addition to the existing grant-in-aid programs now being carried on in local communities, a new Federal supplemental grant which would not require matching of local funds to carry out the program.

The grant will be on the basis of the Federal Government assisting to the extent of 80% of the aggregate local share required to match all Federal programs forming a part of the Demonstration Program.

In addition, the Department of Housing and Urban Development will also be authorized to provide 80% of the cost of planning and administering the demonstration project.

The Federal Government proposes that \$12,000,000 be authorized for each of two years (the fiscal year 1967 and the fiscal year 1968) for planning. It is also proposed that supplemental grants be authorized for the fiscal year 1968. In '68, \$400,000,000 is proposed to be granted and for fiscal 1969, \$500,000,000.

For the urban renewal projects which are part of the approved Demonstration Cities Program, \$250,000,000 is authorized.

The Federal Government limits the availability of the money to use only for projects or activities included as part of the Demonstration Program. But such funds cannot be used for general administrative expenditures of local governments, nor may they replace local expenditures already obligated for Federally assisted projects.

The Federal Government has set up a series of criteria for eligibility in the Demonstration Cities Program. Cities must demonstrate their ability to

- 1) Remove or arrest blight and decay in entire sections or neighborhoods.

- 2) Reduce social and educational disadvantages, ill health, under-employment, and enforced idleness.

- 3) Provide educational, health, and social services to the poor and disadvantaged.
- 4) Provide widespread citizen participation.
- 5) Provide maximum opportunities for employment and training.
- 6) Provide a substantial increase in the supply of standard housing of low and moderate cost.
- 7) Provide maximum opportunities in the choice of housing for all citizens of all incomes.
- 8) Provide adequate public and commercial facilities.
- 9) Emphasize local initiative and must be completed within a reasonably short period of time.

Self-Determination - The President has stated that cities, themselves, will determine by their actions, by their planning and by their capacity to do the job, whether they will participate. Those selected will be the cities that can prove to the Government that they can concentrate their resources, assemble their capabilities, identify their problems in areas suggested by the Government, and develop sound and imaginative solutions to the problems as outlined by the Government.

Importance of Program - It has been stated by Dr. Robert C. Weaver, secretary of the Department of Housing and Urban Development, that the Demonstration Cities Program is the most important proposal in the President's program for rebuilding American cities.

"This bill will help cities to plan, develop, and carry out comprehensive city demonstration programs. These are locally prepared programs for rebuilding or restoring entire sections and neighborhoods of slum and blighted areas. It will help cities provide the public facilities and services, including citywide aids, needed to enable the poor and disadvantaged people who live in these areas to become useful, productive citizens -- citizens able to join in the general prosperity this Nation now enjoys.

"This bill will make it possible to improve and substantially increase the supply of adequate low- and moderate-cost housing in the cities. It will make it possible for cities to concentrate their educational, health, and social services on the problems of the large numbers of poor and disadvantaged people who live in slum and blighted sections and neighborhoods. It will make it possible to treat the human needs of people in the slums at the same time physical rehabilitation is being carried out."

The head of the Department of Housing and Urban Development has said, ". . .this legislation is the cities' best hope. It will prove that focusing and coordinating massive programs of physical construction and social services can revitalize the deteriorating cores of our cities.

". . .these demonstration programs will prove that, with State and Federal assistance, cities are capable of mobilizing total energies and resources on the scale required to create a totally new living environment.

". . .these demonstration programs will show the people who live in slum and blighted neighborhoods that their local, State and Federal governments are concerned with their condition, and will do what is necessary to provide a decent environment and an opportunity to participate in the mainstream of American life."

These are the basic purposes and objectives of the Demonstration Cities Program.

St. Louis Steering Committee - How does St. Louis propose,
with its application, to carry out this program?

The day after the President made his original presentation,
Mayor Cervantes called together a group of persons representing
government, business, the professions, hospitals, education, health
and welfare, labor unions, city planners and all related groups
whose activities bear upon the totality of a city and its life.
That committee consisted of

Honorable Alfonso J. Cervantes, Mayor
City of St. Louis

Arthur G. Baebler, Manager Industrial Development Division
Union Electric Company

Jerome Berger, President
Laclede Town Company

Samuel Bernstein, General Manager
Human Development Corporation

A. Donald Bourgeois, Deputy General Manager
Human Development Corporation

Dr. Joseph P. Cosand, President
Junior College District

Dr. Herbert Domke, Director of Health and Hospitals
City of St. Louis

Irvin Dagen, Acting Executive Director
Land Clearance and Housing Authority

Charles L. Farris, President
Urban Programming Corporation of America

Dr. Robert Felix, Dean
St. Louis University Medical School

Alfred Fleishman
Fleishman-Hillard, Inc.

Mrs. Frankie Freeman, Associate Counsel
St. Louis Housing Authority

Harold Gibbons, President
Teamsters Joint Council No. 13

Dr. F. William Graham, Vice President
Junior College District

George Hellmuth, Vice President
Hellmuth, Obata and Kassabaum

Albert B. Hensley, Jr., Assistant Director of Development
St. Louis Housing Authority

Robert E. Hofmann, Analyst, Advanced Production Planning
McDonnell Aircraft Corporation

Robert B. Jones, Director of Planning
City Plan Commission

Ken Lange
City Plan Commission

Jake McCarthy, Editor
Teamsters Joint Council No. 13

**Dan MacDonald, Executive Director, Health and
Welfare Council of Metropolitan St. Louis**

Harry L. McKee, Director of Long Range Product Planning
McDonnell Aircraft Corporation

Eugene Moody, Executive Director
East-West Gateway Coordinating Council

Gyo Obata, President
Hellmuth, Obata and Kassabaum

Shelby Pruett, Architect
Hellmuth, Obata and Kassabaum

Dr. Miller B. Spangler, Director of Economic Research
St. Louis Regional Industrial Development Corporation

Kenneth S. F. Teasdale, Attorney at Law
Armstrong, Teasdale, Kramer and Vaughan

Herman M. Wagner, Planning Commissioner
St. Louis County

Since that time, weekly meetings have been held in the Office of the Mayor by this group, under the chairmanship of the Research Assistant to the Mayor, Father Lucius Cervantes.

St. Louis/Assessment and Evaluation - The purpose of these meetings has been to gather all of the information available in St. Louis on every phase of the community's activity dealing with health, welfare, hospitals, education, recreation, employment, civil rights, etc. The purpose of the meetings also has been to make an assessment and an evaluation of the city's chief assets and liabilities, both human and material, looking towards the filing of the official application, which would begin with a grant for planning the details of how the actual Demonstration Program would be carried out.

At each of the meetings in the Mayor's Office, members of the group were assigned special projects to study in depth on various phases of what is happening in St. Louis. "Position papers" on such matters as health and welfare, housing, labor, schools, planning,

industrial development, job opportunities, etc., have been projected and discussed.

As a result of these meetings, there was developed an inventory of the services available in the St. Louis metropolitan area, as well as the problem areas and recommendations for their alleviation or solution through the Demonstration Cities Program.

The aim of the program for St. Louis is to enable persons who live in the areas which will be designated and used for the Demonstration Program to become useful, productive citizens and to enable them and their children to join in the general prosperity of the community and the nation.

St. Louis/Self Help - Basically, they would be enabled through self-help and through coordinating the various programs which the city offers in both physical construction and social services, to revitalize the deteriorating core areas of the city.

The meetings which have been held in the Mayor's Office since June 27 already have resulted in a better and closer understanding of the total city's problems and needs, as well as indicating the tools which are available to assist in making a better city.

The St. Louis proposal is for a single, unified demonstration agency which would coordinate and carry out, through existing agencies and through new agencies which would of necessity be created, all of the activities necessary to a functioning community and people.

St. Louis/Systems - The St. Louis program has been developed by viewing the entire community as a total "system." This is in line with the latest and most modern thinking, in an organized way, to resolve business problems.

All of the knowhow developed through the highly technical skills now available through computer systems will be used by St. Louis in planning and carrying out the Demonstration Cities Program.

By viewing the city and its people as a total "system," one is enabled then to delineate or pick out all of the "subsystems" which make up that main "system."

Such a "subsystem" would be, for example, housing, or health, or hospitals, or urban renewal, or planning, or education, or recreation, or work opportunities, or training programs, etc. As each of these areas is separated out, its relationship to the whole "system" can then be seen.

Heretofore, we have treated housing as a separate entity. We have treated education by itself and, in the same manner, planning, urban renewal, etc. Under the St. Louis application plan, all of these would be welded together and analyzed in terms of a "systems analysis."

Such a "systems analysis" requires that in each of the "subsystems" there be an "input." That is to say, what human and financial resources, as well as planning and objectives, are put into the system.

The human and financial resources invested in the "subsystems" produce pay-offs. A yardstick derived from the overall purpose of the main "system" is used to measure the size of each pay-off in relation to the resources needed for each "subsystem." Each "subsystem" can then be ranked relative to every other subsystem in the whole system.

All of the skills necessary to develop and build this program have been contributed to the city's efforts. The St. Louis program, therefore, is geared to the most modern thinking in the field of business and management and will be carried out in the most practical and effective manner possible.

Proposed Initial Step - The initial step described in the City's City Demonstration proposal is a six-month Planning Phase in which the "subsystem" approach would be further developed and the various proposals carefully refined. A grant of \$558,413 has been requested from the Department of Housing and Urban Development to support this planning.

During this phase, the West End Urban Renewal Plan will have already begun. In this "pilot area" the demonstration agency will test the validity of the systems approach by attempting to integrate the efforts of other local agencies to effect a total renewal, both human and physical, and start the area on the road to self-sustaining growth and development.

It is expected that definitive plans and budgets for the Action Phase will be submitted to HUD within six months of the planning phase funding, or hopefully by May, 1967.

The will of the Congress in the Demonstration Cities legislation is that a target area be selected where the physical and social problems are of such magnitude that a comprehensive program is required. The success of the total program would "demonstrate" what a city can do for such an area and thus contribute to the sound development of the entire community.

The primary area selected as the target area for the Action Phase in St. Louis is a 5,860-acre section representing 15% of the area of the city.

The proposed North Side area which essentially bisects the city, contains a population of 233,900, or 32% of the population of the city. It contains 77,300 dwelling units, of which only 65% were classified as sound in 1965. 34.5% of these are non-white occupied, and only 4.5% vacancies exist. Included in this area are portions of the city with the highest crime rate, the largest proportion of under-educated, the largest proportion of unemployed, the largest concentration of non-white residents, a predominance of absentee-owned rental units; in short, it epitomizes all of the city's problems.

It follows, then, that achieving economic self-sufficiency for the residents of the area, with attendant upgrading of the physical environment, the establishment of new commercial enterprises in addition to increasing and upgrading employment, the general upgrading of the individual health of the residents, and all of the other sought-for human values, will not only represent a major achievement, but will be a dominant factor in raising the level of the economy and well-being of the entire community.

HUD funds for this project are viewed as "seed capital" which, if wisely used, can promote a self-sustaining resurgence in the community. Further, the effort encompasses a view of what "living" in a city really means--not just adequate housing, food and clothing, but equipping each individual with the ability to earn money for self-sufficiency and providing the opportunities to put this ability to work.

Fourteen Subsystems - The Action Phase of the City Demonstration Program encompasses 14 basic areas:

- 1) Housing.
- 2) Economic development.
- 3) Employment.
- 4) Education.
- 5) Health.
- 6) Community services.
- 7) Recreation and culture.
- 8) Civil Rights.
- 9) Transportation.
- 10) Anti-poverty programs.
- 11) Utilities.
- 12) Communications.
- 13) Sanitation.
- 14) Metropolitan St. Louis planning.

Self-Sufficiency - It is a hard fact that poverty is a central factor in the problem. It has been the goal of the Steering Committee to achieve a condition of self-sufficiency through the increase of the individual's disposable income. It is important to recognize that the disposable income of individuals and families can be increased by eliminating anti-income factors. For example, proper provision for day care of children can free a female family-head for employment. In like manner, improved diet, hygiene and other forms of preventive medicine can eliminate expenses for curative medical care, or eliminate marginal health situations which hold back the capability of an individual for employment.

Use of increased disposable income as the primary goal of the program thus not only has a vital physical and social effect but also reinforces self-sufficiency by utilizing various free enterprise forces. Preliminary estimates indicate that \$492,300,000 will be required over the next 10 years to attain the desired results in the target area.

Action Phase - In the Action Phase the inter-relation of the various subsystems, the achievement of self-sufficiency and the preservation of human values are dominant motivations.

Housing - In terms of housing, plans will be perfected to eliminate unsound housing on a progressive basis. Relocation of individuals, families, business concerns and non-profit organizations will be planned for to assure meeting the standards set forth in the Housing Act of 1949, and such relocations as are necessary will be coordinated so as to achieve an adequate supply of decent, safe and sanitary housing for families and individuals of low or moderate income throughout the city. However, the plans for a progressive development of decent housing within the area are such that relocation problems will be at a minimum.

Integrated with the planning for housing will be plans for schools, parks, and recreational facilities, with judicious location of commercial and industrial sites. Recognition of the economic pressure engendered by competition will stimulate provision of a threshold surplus of housing opportunities for low and moderate income families and individuals. Modern technology will be introduced to the rebuilding of physical facilities, and special attention will be given to the needs of the present residents, as expressed by block and neighborhood organizations.

Implicit in the concept of self-sufficiency is the ability of a man to own the home in which he lives--a desire that is usually beyond the hopes and expectations of the poor. However, the very

ownership of a small portion of his living facility tends to develop a sense of responsibility for maintenance and becomes a built-in anti-decay factor. In the St. Louis program, plans would be developed in several ways for those who are working their way out of poverty to earn an equity in either single-unit housing or in a cooperative apartment.

The City Demonstration Proposal thus gives clear recognition to the importance of human development as well as physical upgrading. The human development plans are comprehensive, recognizing the roles of health care, educational reinforcement, retraining of attitudes as well as training for employment, location of employment opportunities and the means of access thereto, all as interdependent facets of the approach to the individual, the family, and the sub-community in which they live and work.

Economic Development - In light of this, the problem of economic development is tightly inter-related. St. Louis regional economic growth has not equalled that for most other large regions. The City of St. Louis has lost 3,000 businesses and industries and 50,000 jobs in the last 15 years. Therefore, even though regional growth remains highly important, the attractiveness of the region itself will decline if the economic health of the City of St. Louis continues to ebb.

The city has taken an important step in the formation of the St. Louis Industrial Development Corporation. In coordination with the efforts of this agency, the City Demonstration Proposal envisions a five-point program to implement present unused facilities in the target area; development of a business, industrial trade, office or entertainment complex in the North Side sector; correlated manpower training; modified taxation structure; and an intensive information program.

In addition to the profit corporations involved, the complex would include offices for the social services which would need to be concentrated in this geographical area and would also include public facilities which could be used in the early phases for manpower training facilities and later for community education and recreation facilities. A management assistance program and a "seed money" program to provide possible sources of capital will also be evaluated in the planning phase.

Employment - The full utilization of human resources brings the question of employment into an essential relationship with housing and economic development. Correlated manpower programs envisioned under the proposal include the following:

1) A specialized short term pre-entry program for job orientation, probably the only section of the employment program requiring funding under the Demonstration Cities Act;

2) Utilization of existing programs under the Vocational Education Act or the Manpower Development Training Act administered through the Employment Security Division;

3) Use of Title V of the War on Poverty Act which makes it economically possible to give a person job experience with full reimbursement to the employer for up to six months;

4) Specialized skill training;

5) A special program for teen-agers;

6) Full utilization of the Comprehensive Community Manpower Program.

The employment proposal will seek to pull together existing community resources so as to render a more effective service to the presently unemployed. But thorough attention will also be given to the fact that under-employment is as serious a problem as unemployment and planning emphasis will be given to upgrading, thereby utilizing work potential fully as well as creating new openings at the entry level.

As part of this comprehensive planning, an anti-poverty "subsystem" will be developed in the Planning Phase with the goal of ending poverty in the St. Louis region within a target period of 10 years. This plan will be evaluated by "systems analysis" methods, and the study will account for all costs and benefits to the greatest possible extent, including increased tax return to the government.

Education - Obviously, education is closely allied to the employment question. The St. Louis City Demonstration Proposal includes a highly-detailed program for improved educational facilities in the target area, from pre-school programs through post-graduate opportunities.

From the point of view of the disadvantaged individual, education represents the path to an improved material, physical and social situation. Beginning at the pre-school level, provision would be made for health centers; extension of services such as counseling of parents; nursery schools; special education; and an expanded Headstart program.

At the elementary school level, teacher training to provide special skills in working with disadvantaged children is proposed, along with a curriculum adjusted to the problems of the disadvantaged. The proposal advocates school buildings designed to accommodate community

activities in after-school hours; increased community involvement in the affairs of the school; use of indigenous personnel to assist in the schools; and a program of cultural enrichment outside of school hours.

The "drop-out" phenomenon must be faced at the secondary school level, making curriculum revision and guidance services of vital importance. Among the proposals are a program of financial aids; programs of cooperative work experience whereby the pupil spends half of the time in school and half of the time in a paying job; cultural enrichment, community involvement and vocational education.

The community college could serve a number of groups in the target area, by providing adult basic education, vocational and technical training, family education, and a special college program in general education. A financial aid program would also serve to guarantee to every child the right to higher education if he completed high school. All individuals capable of achieving at the college level would thus be encouraged and assisted to do so.

The senior college and university level would also provide not only educational opportunity for residents of the target area, but special services as well, including training for professional personnel involved in the target area; internship programs to encourage teachers and social workers to concentrate on the problems of the

inner city; research and consultation; and the development of neighborhood services.

The proposal also explores the advantages in the development of an "Educational Plaza" where all educational services could be rendered in one location, from pre-school through adult. The City Demonstration Program, in the planning period, also projects a number of specific experiments in financing advanced education.

Health - The Health Care subsystem would concern itself with its relationships to education, employment and the effect of health on increased disposable personal income. But it would primarily be designed to provide best quality medical care to all area residents, and provide best health education for all citizens.

An inventory of available health care resources in the target area would be undertaken. Progress made to date in this area shows serious fragmentation of health care as well as excessive duplication and omission in the provision of service. Further, there is poor utilization of scarce professional competence and leadership skills. The approach to health care planning emphasizes strongly the efficient cooperation and coordination of all health care resources in the area and should have a short-term, visible effect on these problems.

Included among the suggested projects in the health care area would be modernization of existing facilities; re-evaluation and establishment of goals for health education with design of new health education approaches, perhaps on a block-by-block or neighborhood basis in the target area; emphasis on predictive and preventative medicine; health care clearing house; medical care management system; and a university health center.

By good health education with an emphasis on nutrition, prenatal care, child care, the importance of early care, and the existence of dignified and available health facilities, the spectre of ill health and death which weighs heavily upon the disadvantaged would be lifted.

Community Services - Frequently the resident of a slum area lacks the ability to cope with the social system outside the slum which causes his poverty. In order to meet this problem, a series of community services, located in physical proximity, is desperately needed in the target area.

Several factors besides education, health and discrimination cause problems. These include the basic problem of age. For the near-poverty person, the income years cease even earlier than for others.

These and other problems can be alleviated to a sizeable degree through the comprehensive community services program envisioned in the proposal.

Recreation and Culture - The area of recreation and culture is also vital to the realization of human values in the target area. For example, art, taught from a creative standpoint of participating classes in painting, weaving, sewing or music, can lift an individual from the gray world of poverty to a new sense of life and color.

Adequate facilities for recreation and culture are also a vital adjunct to an upgrading in employment, education, health and every other subsystem included in the City Demonstration Program.

Civil Rights - So also is the question of civil rights. The ghetto concept is a degrading, destructive concept. But the question of civil rights involves more than integrated housing, high-quality education, equal employment opportunities and high-level health care. It also includes the right to all the human values in our society and to have a voice in one's own destiny.

The City Demonstration Proposal makes provision in the target area and in the community as a whole for the accomplishment of all these goals, including representation of the residents of the area in the decision-making process which will effect their physical, social and economic well-being so intimately.

Transportation - Along with the various systems designed to meet the problems of the target area, the question of adequate transportation takes on crucial importance. Among the poor, mobility is proportionately less than in the days of our grandparents. Less than a quarter of a century ago, the municipal bus and trolley systems were a 24-hour affair. Today public transportation is extremely limited and proportionately more expensive, thereby limiting the true mobility of the poor in seeking employment and education. Hence, planning for the City Demonstration Program will include measures to alleviate this situation.

Utilities, etc. - Similarly, utilities and sanitation facilities in the target area will be evaluated during the planning stages as important subsystems, and the impact of communications on urban growth and the development of the target area will be carefully considered.

With the coordination of these 14 subsystems, and the drafting and pricing of detailed programming during the Planning Phase, the City Demonstration Program for St. Louis carries the promise of a rebirth for the community and enrichment of the lives of all its citizens, as a realizable goal.

Housing

Eco. Dev.

Employment

Education

Health

Community Services

Recreation & culture

Civil Rights

Transportation

Anti-poverty programs

Utilities

Communications

Sanitation

Metro planning

Land Reforms

Greed

Tradition

Leadership

Effort

Interpersonal Relations